

SENATE BILL NO. 66

INTRODUCED BY D. WANZENRIED

BY REQUEST OF THE LEGISLATIVE COUNCIL

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAWS GOVERNING FISCAL NOTES; SUBSTITUTING A SPONSOR'S FISCAL NOTE REBUTTAL FOR A SPONSOR'S FISCAL NOTE; PROVIDING FOR THE CONTENT OF A SPONSOR'S FISCAL NOTE REBUTTAL; CLARIFYING THE CONTENT OF FISCAL NOTES; AMENDING SECTIONS 5-4-204 AND 5-4-205, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 5-4-204, MCA, is amended to read:

"5-4-204. Submission of fiscal note -- sponsor's fiscal note rebuttal -- distribution to legislators.

(1) A completed fiscal note ~~shall~~ must be submitted by the budget director to the presiding officer who requested it. Upon receipt of the completed fiscal note, the presiding officer shall notify the sponsor of the bill for which the fiscal note was prepared that the fiscal note has been completed and is available for review. Within 24 hours following notification, the sponsor ~~must~~ shall:

(a) notify the presiding officer that ~~he~~ the sponsor concurs with the completed fiscal note;

(b) request additional time, not to exceed 24 hours, to consult with the budget director on the fiscal note;

or

(c) elect to prepare a sponsor's fiscal note rebuttal as provided in subsection (4).

(2) (a) If the sponsor concurs with the completed fiscal note prepared by the budget director or elects to prepare a sponsor's fiscal note rebuttal, the presiding officer shall refer the completed fiscal note prepared by the budget director to the committee considering the bill. If the bill is printed, the note ~~shall~~ must be reproduced and placed on the members' desks.

(b) If the sponsor requests additional time to consult with the budget director, the presiding officer shall notify the sponsor and the budget director of the time, not to extend beyond the time limitation specified in subsection (1)(b), by which:

(i) the budget director shall submit a revised completed fiscal note to the presiding officer;

(ii) the sponsor shall notify the presiding officer that ~~he~~ the sponsor concurs with the original completed fiscal note; or

(iii) the sponsor ~~shall~~ may elect to prepare a sponsor's fiscal note rebuttal as provided in subsection (4).

(3) At the time specified as provided in subsection (2)(b), the presiding officer shall refer the original or, if revised, the revised fiscal note to the committee considering the bill. If the bill is printed, the note ~~shall~~ must be reproduced and placed on the members' desks.

(4) (a) If a sponsor elects to prepare a sponsor's fiscal note rebuttal, ~~he~~ the sponsor shall prepare the fiscal note ~~as rebuttal on a form~~ provided in 5-4-205 by the legislative services division and return the completed sponsor's fiscal note rebuttal form to the presiding officer within 4 days of ~~his~~ the election to prepare a sponsor's fiscal note rebuttal. The form must identify the bill number, the sponsor of the bill, the date prepared, the version of the fiscal note being rebutted, the reasons the sponsor disagrees with the fiscal note, the items or assumptions in the fiscal note that the sponsor believes are incorrect, and the sponsor's estimate of the fiscal impact, if an estimate is available.

(b) The presiding officer may grant additional time to the sponsor to prepare the sponsor's fiscal note rebuttal.

(c) Upon receipt of the completed sponsor's fiscal note rebuttal form, the presiding officer shall refer it to the committee hearing the bill. If the bill is printed, the ~~note form~~ must be identified as a sponsor's fiscal note rebuttal, reproduced, and placed on the members' desks."

Section 2. Section 5-4-205, MCA, is amended to read:

"5-4-205. Contents of notes. (1) Fiscal notes ~~shall must, where~~ when possible, show in dollar amounts the estimated increase or decrease in ~~revenues~~ revenue or expenditures, costs ~~which that~~ that may be absorbed without additional funds, and long-range financial implications. ~~No A~~ A comment or opinion relative to merits of the bill ~~shall may not~~ be included; in the fiscal note, however However, technical or mechanical defects may be noted.

(2) It is the legislature's intent that a fiscal note be prepared as an objective analysis of the fiscal impact of legislation. The fiscal note should represent only the estimate of the revenue and expenditures that would result from the implementation of the legislation, if enacted, and may not in any way reflect the views or opinions of the preparing agencies, the sponsor, or other interested parties. Changes in revenue must be estimated for each reported year based upon accepted revenue estimating methodologies for the source of revenue described and should reflect a change from the official revenue estimate provided for in 5-5-227. Expenditures must be

1 estimated as the amount required for implementing the legislation, if enacted, in excess of or as a reduction to
2 the present law level of expenditures in each reported year regardless of whether or not the preparing agency
3 determines that it can absorb the costs in its proposed budget.

4 (3) The fiscal note must clearly differentiate between facts and assumptions made in the preparation of
5 the fiscal note while maintaining a logical flow of both fact and assumption in presenting how the fiscal impact
6 is determined. The source of stated facts and the basis of stated assumptions must be clear in the fiscal note
7 presentation. The fiscal note must clearly state any uncertainties contained in the final estimate."

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9 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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